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UNITED STATES PATENT AND TRADEMARK OFFICE

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Application Number: 09/833,049
Filing Date: April 11, 2001
Appellant(s): HOGAN ET AL.

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GROUP 3600

Manu J. Tejwani
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed 06/17/2007 appealing from the Office action

mailed 11/17/2006.

(1) Real Party in Interest

A statement identifying by name the real party in interest is contained in the brief.

(2) Related Appeals and Interferences

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) Status of Claims

The statement of the status of claims contained in the brief is correct.

(4) Status of Amendments After Final

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

(5) Summary of Claimed Subject Matter

The summary of claimed subject matter contained in the brief is correct.

(6) Grounds of Rejection to be Reviewed on Appeal

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct.

(7) Claims Appendix

The copy of the appealed claims contained in the Appendix to the brief is correct.

(8) Evidence Relied Upon

U.S. PG Pub 2004/0210449   Breck et al.   10/2004

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form

the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by
another filed in the United States before the invention by the applicant for patent or (2) a patent
granted on an application for patent by another filed in the United States before the invention by the
applicant for patent, except that an international application filed under the treaty defined in section
351(a) shall have the effects for purposes of this subsection of an application filed in the United States
only if the international application designated the United States and was published under Article 21(2)
of such treaty in the English language.

Claims 1-5 and 7-16 are rejected under 35 U.S.C. 102(e) as being anticipated by Breck

et al (U.S Patent No 2004/0210449).

As per claim 1, Breck et al teach a method of conducting a transaction using a payment

account for payment over a payment network, the method comprising receiving by a

service provider other than an issuer of the payment account a first authorization

request for the authorization of a the transaction using a first payment account number,

wherein the first payment account number has a service provider identification number

that is associated with the service provider other than the issuer and is associated with

a second payment account number that has an issuer identification number associated

with an the issuer the second payment account number not being included in the first

authorization request; the first authorization request includes a first acquirer code

associated with an acquirer; and the first authorization request is routable through the

payment network to the service provider based on the service provider identification

number; responsive to the first authorization request, transmitting by the service

provider a second authorization request for authorization of the transaction using the

second payment account number, the second authorization request including a second

acquirer code associated with the service provider and being routable through the

payment network to the issuer based on the second issuer identification number;

receiving from the issuer a response to the second authorization request transmitted by

the service provider the response including the second acquirer code and being

routable through the payment network based on that code; and transmitting from the

service-provider to the acquirer a response to the first authorization request .received by

the service provider based on the response to the second authorization request

received by the service-provider from the issuer, the response to the first authorization

request including the first acquirer code and being routable through the payment

network based on that code (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059,*

0066, 0074, 0076-0083, 0090, 0094).

As per claim 2, Breck et al teach a method wherein the response to the second

authorization request from the issuer further includes the second payment account

number, and the response to the first authorization request by the service provider

further includes the first payment account number (*see fig 1, 8, pps 0048, 0052, 0053,*

0054, 0058, 0059, 0066, 0074, 0076-0083, 0090, 0094).

As per claim 3, Breck et al teach a method wherein the first authorization request

comprises a message authentication code including transaction data, and the request is

formatted with a standard track having a plurality of fields including a discretionary field

in which the message authentication code is placed (see fig 1, 8, pps 0048, 0052, 0053,

0054, 0058, 0059, 0066, 0074, 0076-0083, 0090, 0094).

As per claim 4, Breck et al teach a method wherein the service provider verifies the

message authentication code (see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059,

0066, 0074, 0076-0083, 0090, 0094).

As per claim 5, Breck et al teach a method of conducting a transaction with a merchant

over a communications network using a first payment account number that is

associated with a second payment account number, the method comprising generating

a message authentication code based on one or more transaction details; transmitting

at least the first payment account number and the message authentication code to the

merchant; requesting by the merchant an a first authorization for payment of the

transaction using the first payment account number, the second payment account

number not being included in the first authorization request, the request being formatted

as if payment were tendered at a point-of-sale terminal with a conventional magnetic-

stripe payment card, the format having a track with at least a discretionary data field and

the message authentication code being transmitted in the discretionary data field;

responsive to the authorization request for the first payment account number,

requesting an authorization for payment of the transaction using the second payment

account number; and accepting or declining the authorization request for the first

payment account number based on the response to the authorization request for the

second payment account number and the message authentication code wherein the

first and second payment account numbers include respective service provider and

issuer identification numbers, wherein a service provider other than the issuer receives

the merchant's request through a payment network based on the service provider

identification number, and wherein the service provider generates the request for

authorization of payment using the second payment account number and routes the

request to the issuer through the network based on the issuer identification number (see

fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-0083, 0090, 0094).

As per claim 7, Breck et al teach a method wherein the service provider includes in the

request for authorization for payment an acquirer code associated with the service

provider, such that the response from the issuer is routed back to the service provider

(see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-0083, 0090,

0094).

As per claim 8, Breck et al teach a method wherein the request by the merchant

includes an associated merchant acquirer code, and wherein the service provider

generates a message based on the accepting or declining step and routes that

message to the associated merchant acquirer code (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-0083, 0090, 0094*).

As per claim 9, Breck et al teach a method of conducting a transaction over a communications network, the method comprising: issuing by an issuer having an issuer identification number a first payment account number to a user having a computer, the issuer identification number being associated with the first payment account number; providing a security module for generating a secret key unique to each first account number issued, generating a second account number associated with the first payment account number; providing a secure payment application by a service provider to the computer, the application comprising the second account number and the secret key; storing the secure payment application on the computer; selecting a merchant with whom to conduct the financial transaction, the merchant having an associated acquirer code identification number; passing to the computer transaction data; computer generating a message authentication code based on the transaction data; transmitting track data in standard track image format to the merchant, the track data comprising the computer generated message authentication code and the second account number wherein the computer generated message authentication code is directly positioned in the discretionary data field of the standard track image format, generating a first authorization request based on the data; transmitting the first request to the service provider; verifying the first request with the secret key; obtaining the first payment account number associated with the second account number; transmitting a

second authorization request using the first payment account number to the issuer

identification number associated with the first payment account number; and authorizing

or rejecting the second request (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059,*

0066, 0074, 0076-0083, 0090, 0094).

As per claim 10, Breck et al teach a method wherein the track data comprises a

discretionary data field, an account number field, and an expiration date field, and

wherein the transmitting track data step further includes placing the message

authentication data in the discretionary data field; placing the second account number in

the account number field; and placing an expiration date in the expiration date field (*see*

fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-0083, 0090, 0094).

As per claim 11, Breck et al teach a method wherein the transaction data include the

associated acquirer code and a transaction amount (*see fig 1, 8, pps 0048, 0052, 0053,*

0054, 0058, 0059, 0066, 0074, 0076-0083, 0090, 0094).

As per claim 12, Breck et al teach a method wherein the verifying step further includes

verifying the transaction data (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059,*

0066, 0074, 0076-0083, 0090, 0094).

As per claim 13, Breck et al teach a method wherein the second authorization request

includes an a second acquirer code associated with the service provider, and further

comprising generating a message based on the authorizing or rejecting, forwarding the

message to the service provider based on the acquirer code; and using the merchant's

associated acquirer code to advise the merchant of the message (see fig 1, 8, pps

0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-0083, 0090, 0094).

As per claim 14, Breck et al teach a method of conducting a transaction involving a

merchant over an electronic payment network, the method comprising: receiving data

related to the transaction from the merchant; transaction; computing a message

authentication code based on the data related to the placing the message

authentication code in a portion of the discretionary data field of a standard

payment card magnetic stripe track format to form a track image; and transmitting the

track image, including the message authentication code, over the payment network,

without first storing the message authentication code on a magnetic stripe of a

payment card (see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-

0083, 0090, 0094).

As per claim 15, Breck et al teach a method wherein the computing a message

authentication code is further based on a transaction sequence number (see fig 1, 8,

pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-0083, 0090, 0094).

As per claim 16, Breck et al teach a method wherein placing the message

authentication code in a portion of the discretionary data field further includes inserting

at least a portion of the transaction sequence number in a portion of the discretionary

data field of the track image, and wherein transmitting the track image further includes

transmitting the at least a portion of the transaction sequence number over the payment

network (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-0083,*

0090, 0094).

(10) Response to Argument

Applicant's arguments with respect to claims 1-5 and 7-16 have been fully considered

but they are moot in view of new ground(s) of rejection. Necessitated by amendment.

In regard to Applicant's arguments, Applicant argues the prior art of record (Breck) fails

to disclose the recited feature:

a. " a payment account number that has a service provider identification number that is

associated with the service provider". As indicated above, it is believed that Breck

discloses this limitation *fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074,*

0076-0083, 0090, 0094.

b. Applicant further argues that Breck does not describe any standard payment card

track image". However, the Examiner respectfully disagrees with Applicant's

characterization of the prior art. Breck discloses this limitation in paragraph [004],

standard payment or virtual checkout credit card information, and image or consumer's

physical credit card).

(11) Related Proceeding(s) Appendix

No decision rendered by a court or the Board is identified by the examiner in the

Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

Pierre Eddy Elisca

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Andrew Fischer

SPE, Art Unit 3621

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